



December 13, 2016

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The Honorable Michael F. Flaherty
Committee on Government Operations, Chair
Boston City Council
One City Hall Square
Boston, MA 02201

RE: Docket #1529, ordinance regarding the reduction of plastic bags in Boston.

Dear Chairman Flaherty:

The Retailers Association of Massachusetts (RAM), established in 1918, is a statewide trade association of approximately 4,000 member companies. Our membership ranges from independent, "mom and pop" owned stores to larger, national chains operating in the general retail, restaurant and service sectors of the retail industry. The retail industry in the Commonwealth is the backbone of our local Main Streets, supporting over 928,000 jobs and operating in more than 73,000 brick-and-mortar establishments.

The Association, on behalf of our membership, desires to be recorded in *opposition* to the proposed ordinance to ban plastic checkout bags in the City of Boston. First, as a statewide association, we do not often weigh in on issues before municipal government. However, given the large number of RAM members located in Boston, the important role the City plays in shaping the policies and future of the Commonwealth, and the potential impact of this proposal on our members and the entire retail community, we did want to provide some comments for you to weigh as you take up this discussion.

While we of course will ask the Council to view this proposal through the eyes of a retailer, we also urge you to review the proposed ban and bag tax through the mindset of the average consumer. This proposal seeks to ban the use of plastic carryout bags that are less than 3 mils thick and seeks to impose a bag "charge" of \$0.05 per bag requested by the consumer. Retailers and consumers are already appropriately referring to this proposed bag "charge" as a regressive bag tax. Consumers by and large do not want to pay more for something tomorrow when they can get it today for free. We saw this in the overwhelming defeat of the proposal to

expand the Bottle Bill two years ago, which was also asking consumers to pay “just five cents more” on certain products. Five cents may not be a lot to some, but it is to others, particularly those living on fixed incomes or those who due to their financial circumstances must watch their grocery budget closely. Consumers are very price sensitive and they will take notice. How many tourists will be left with a bad taste in their mouths after having to pay the bag tax many multiple times in a single trip? Will they return to visit just as quickly? We want to avoid leaving a negative perception in consumers’ minds.

The goal of solid waste reduction is a laudable one, but I ask that you be mindful of the current financial difficulties that all restaurants and retailers are facing, which are the same difficulties that their customers are facing as well. Any new product ban on businesses would be harmful in this economic climate. While some may argue that certain businesses have voluntarily eliminated the use of plastic bags, or point to other bans that have passed in other towns around the Commonwealth, it is important to note that not all businesses are alike and many do not have the resources to purchase new materials at a higher cost. New packaging designs are costly and those costs are ultimately passed onto the consumer. Local retailers compete every day with stores over the border and online and proposals such as this one that directly increase not only their costs, but the cost to their customers to shop in their stores, puts them on an uneven playing field with out-of-state and online competition. We should not pursue policies that discriminate against our local sellers. We also should not subject consumers in Massachusetts to potentially 351 different sets of rules, laws, ordinances or bylaws, regulating plastic bags. The regulation of goods in commerce is best left to the federal government, or at a minimum, to the state.

Retailers exist to serve their customers by providing quality service and consumer choice at a good value. The customer is always right. Those same tenets of quality service and choice can be applied to the issue of plastic bags. Many retailers now provide their customers with a choice at checkout of what type of bag – if any – they wish to use to carry out their purchased items. Paper, plastic or reusable bags can be found in most stores, and depending on the items purchased, the customer is generally the one who makes that decision. Many retailers sell reusable bags and many also now provide the opportunity to recycle plastic bags on site. Consumer choice is highly valued in retail and this proposal is anti-consumer and goes against that important choice principal. The market is responding to this issue voluntarily.

There are many benefits to these different types of bags, including plastic bags. Plastic carryout bags are often strong enough to reduce the need for double bagging of heavy items. Plastic bags are light weight and easy to carry, yet sturdy and water resistant. They are recyclable and reusable. Plastic bags are now being recycled into new bags, green building materials, such as composite decking, fencing and benches, and other products including shipping pallets, and plastic crates and containers. But we may never see tremendous numbers on the recycling of bags because of the extremely high rate of reuse. These are not single use bags; they are often reused multiple times. Consumers reuse plastic bags as wastebasket liners, lunch bags, cleaning up after pets and countless other ways.

A ban on plastic bags is not needed, but further education on the issue is warranted. We need to focus our attention on educating consumers about their recycling and reuse options, which retailers will continue to do. A ban will unfortunately not solve our litter problem either, or serve to correct the reckless actions of those who do discard of bags improperly. Educating the public about recycling opportunities and encouraging reuse is the route we ought to take. Many retailers now provide a means for proper recycling, but consumers need to participate, too, by limiting the number of bags requested, reusing bags and then bringing the bags back to a local retailer who has an in-store recycling program.

The increased bag costs to a retailer that would result from this proposed ordinance cannot be overlooked. Thicker mil plastic bags, paper bags and other reusable options cost considerably more per unit to produce, meaning both the costs for retailers and our customers would significantly increase. We know from member feedback that in those towns that have imposed bans to date, the default consumer option now is a paper bag. Paper bags cost significantly more. RAM members in those communities that have passed local bag bans have reported that their bag costs have increased by more than 400-600% of what they previously cost. These costs are ultimately passed onto the consumer, or eat into the retailer's already thin profit margins. If this added cost is imposed on your local businesses, will it come with a corresponding mandatory increase in sales? No, it won't.

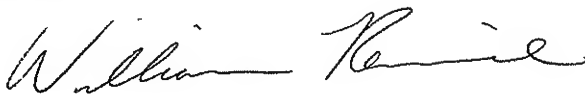
At a minimum, the Council should weigh the underlying public health concerns resulting from this proposal when defining the scope of businesses subjected to it. There are many different businesses that utilize these products and not all of these businesses and their customers use them in the same way. For example, we would not want customers bringing their own reusable bags into a restaurant to take home a to-go meal or leftovers. No matter what the message says on the bag reminding people to wash their reusable bags, there are a select few who have ever done it. Study after study has found contamination and bacteria in the reusable bags we use. Food safety is at risk if a reusable bag is used in a restaurant, meaning the only option available would be paper. Yet paper bags are also not ideal in many food settings, where moisture from leakage or spilling can easily saturate and weaken the bag. Plastic is the best recommended use in a food establishment, and that is the reason why most plastic bag bans around the country include a specific restaurant exemption, which we urge you to consider.

If the Council should choose to move forward with this proposal we urge you to consider a restaurant exemption. Also, another exemption that must be included is one for prescription medicine. Due to HIPPA and federal privacy regulations, prescription medicine must be delivered to a consumer in a bag. Without an exemption in this area the ordinance would subject every single prescription transaction made in a retail pharmacy in the City to an additional five cent tax every single day.

We strongly oppose local ordinances of this type and any attempts to ban the use of plastic bags or to apply "one size fits all" mandatory approaches toward issues such as this one. We favor increased promotion and education efforts toward existing reduce/reuse/recycle programs.

Thank you for your consideration, and please do not hesitate to contact me if I can be of any assistance to you in your deliberations.

Sincerely,

A handwritten signature in cursive script, reading "William Rennie".

William Rennie
Vice President
Retailers Association of Massachusetts

cc: Members of the City Council

